

Case Study 12.2. Proof-of-concept funding at the Universities of Basel, Bern and Zurich

CRITICAL AREA OF FOCUS 2: “Assessing IP potential, validating technologies and incentivizing for commercialisation”

BEST PRACTICE FOR: “Proof of Concept Programs”

AIMED AT: TTOs

UNIVERSITY: University of Basel, University of Bern, and University of Zurich (Switzerland)

TTO: Unictetra



The context:

Unictetra is a joint **Technology Transfer Office (TTO)** of the Universities of Basel, Bern, and Zurich. The University of Basel, established in 1460, is the oldest university in Switzerland and has around 13,000 students, nearly 400 professors, 7 faculties, and 18 departments. The University of Bern, established in 1834, is one of mid-range size universities in Switzerland and has nearly 17,000 students, more than 400 professors, 8 faculties, some 160 institutes, and 8 graduate schools. The University of Zurich, established in 1833, is the largest university in Switzerland and has around 26,000 students, more than 600 professors, 7 faculties covering some 100 different subject areas.

In 1999, the Universities of Bern and Zurich established a joint TTO called Unictetra. As a non-profit incorporated company, Unictetra was completely and equally owned by the Universities of Bern and Zurich. In 2011, the University of Basel became the third shareholder of the company and since then Unictetra took over its technology transfer activities. **Unictetra's technology transfer** services are also available to researchers positioned at hospitals and research institutions that are associated with the three universities. Unictetra has a team of 14 people, including 7 technology transfer managers, 4 legal support managers, and 3 finance and administration managers.

The problem:

One of the main challenges faced by Unictetra from the moment of its establishment was to **effectively manage** the provision of **technology commercialization** services and proof-of-concept funding to multiple universities, hospitals and research institutions. Another challenge was to manage the Unictetra team that is spread among three different university campuses across Switzerland.

The solution:

Since 1999 Unictetra was acting as a joint TTO for the Universities of Bern and Zurich and since 2011 also for the Universities of Basel. Although these three universities differ in terms of their size, structure and resources, from the outset Unictetra was able to establish a system that for more than 15 years allowed **to avoid problems between these universities regarding the provision of technology commercialization services**. However, it took about 8 months of intense discussions between the two initial universities to come up with an optimal structure and model for Unictetra. The key solution to Unictetra's success was to keep all services for each university strictly separate, including PoC funding programmes, in a way that each university funded its own technology transfer activities, and not of another. Together with an information technology company, Unictetra has also developed a software that keeps track of all spendings for all PoC projects for each university. Moreover, the **three universities have different regulations** and Unictetra has to manage the PoC programmes according to the guidelines of each particular university.



The Unictetra team is spread among the three locations, and most of the team members have two working places. For instance, one day they work in Zurich and another day they work in Bern or Basel. With internal offices at each university, Unictetra is considered as an internal unit that allows establishing more trustworthy working relationships with university researchers.

In 2001, Unictetra together with the University of Zurich has established one of the first **PoC programmes** in Europe that was initially financed with a donation of a private organization. Currently, the PoC funding activities are primarily financed by the three universities. Within PoC programmes Unictetra finances about 4-6 projects per year with an average amount of 30,000 CHF per project. Proof of concept funds provide initial financial support to technology development projects in order to advance them as near as possible to a potential commercial partner or to develop the necessary foundations for an investment decision. Such funds can, therefore, help to support the transition of a project into the commercial sector. The development work can be undertaken by the research team of the university or it can be partly subcontracted to a third party, such as a consulting company.

The duration of funding varies from one project to another, but typically does not exceed two years. One of the key principles of PoC funding programmes managed by Unictetra is that, in order to assure an appropriate use of funding, it never gives the money directly to researchers. Instead, Unictetra directly pays all the bills associated with PoC activities according to planned milestones. Moreover, depending on the nature of the project, the PoC funding can be provided either as a grant or as an interest free loan to researchers.

Unlike many other TTOs, Unictetra does not publish a call for applications for the PoC funding. Instead, the projects are selected from an overall pool of projects managed by Unictetra.

The evaluation of projects for the PoC funding follows a formal process that is written down in a form of **standard operation procedures**. The selection of projects is also done in very close collaboration with the researchers, which allows them to immediately understand and accept an evaluation decision.

Alignment to PROGRESS-TT:

This case is a good illustration of the “Proof of Concept programs” Best Practice in PROGRESS-TT Critical Area of Focus 2 “Assessing IP potential, validating technologies and incentivizing for commercialisation”.

Between 2010 and 2014, the number of licensing agreements of the three universities increased from 42 to 60, the number of spin-off companies increased from 8 to 14, research contracts increased from about 1,000 to about 1,100, other agreements (MTAs, consulting, etc) increased from about 500 to about 1,100 per year.

The experience of Unictetra can be instructive to other universities and TTOs for several reasons.

First, Unictetra is a good example of a TTO that professionally serves multiple universities. Having a joint TTO allows having sufficient volume of projects and building a professional TTO team, which is more relevant for small TTOs with limited financial and human resources. By keeping technology commercialization and PoC funding activities strictly separate for the three universities, Unictetra could avoid problems associated with adequate provision of services to each. Nevertheless, managing a team that is located in multiple places may represent a challenge for a TTO, which in the case of Unictetra was mitigated by the relatively small size of the country.

Second, Unictetra has established an effective PoC programme that can be also replicated by other TTOs in Europe. In order to effectively control the use of PoC funding a TTO could opt to pay the bills directly according to the planned milestones rather than giving directly the money to the researchers. PoC funding may come in different amounts and different forms (grant or loan) depending on the nature and commercialization perspectives of a project.

Original from [University of Basel, University of Bern, and University of Zurich] Original release of [03 18 2016]. Last revised, [03 18 2016].

Published by PROGRESS-TT,

© 2016 PROGRESS-TT. The unauthorized reproduction or distribution of this copyrighted work is illegal.

This document is licensed/authorized for use only in the PROGRESS-TT Project-2016

